GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:167
ANSWERED ON:29.11.2002
MODERNISATION OF SPINNING MILLS
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have taken steps for the modernisation of the spinning mills in the country;

(b) if so, the allocation of funds made to various States for the purpose during the last three years;

(c) whether the Government propose to modernise the spinning mills at Gobindpur in Dhenkanal district, Orissa; and

(d) if so, the steps taken in that regard?

Answer

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (d): Yes Sir. Government of India has launched a Technology Upgradation Fund Scheme (TUFS) since April 01, 1999 for five years, for modernisation of the textile and jute industries including spinning mills in the country. The scheme provides for reimbursement of 5 percentage points of interest on the loans availed of from designated banks and financial institutions for modernisation of benchmarked textile projects.
No allocation is made to the States. The funds are reimbursed to the banks and financial institutions, which provide the loans for the eligible individual units for modernization. Any eligible spinning mill including spinning mill at Gobindpur can avail of benefits under the TUFS.